



## How do we break the 25% market share barrier on direct insurance sales in Israel and cause other consumers to purchase insurance through direct sales? AIG has adopted a long-term strategy in which a personal representative has been positioned to support the insured party in time of need

AIG International was founded in 1919 in China but was forced to leave the country in 1949 following the rise of Mao Tse-tung to power. Today, the company operates in 100 countries around the world.

AIG Israel, which specializes in direct insurance and offers a range of insurance policies, began operating in Israel in 1997. The company is jointly owned by Orek and AIG International.

Following the financial crisis that affected the world and the company in 2008, the company changed the name of its insurance brand to Chartis in all countries except Israel. The reason was the strength of AIG's brand in the local market.

AIG Israel Insurance Company Ltd. is licensed to practice general and life insurance and the company covers private insurance (vehicle and property insurance, compulsory vehicle and home insurance), health insurance, personal accidents and travel insurance, commercial insurance (comprehensive insurance for businesses, property loss insurance, engineering insurance, employer liability

insurance, third party liability insurance and professional and directors insurance), product liability insurance and life insurance.

### The Competitive Environment

The AIG brand operates in a crowded, competitive environment, directly competing with direct insurance companies: Bituah Yashir and 9,000,000 (owned by the same group, which is taking advantage of this fact in order to operate in the market through two brands, and consumers remaining unaware of the link between the two). Other competition comes from insurance companies operating in Israel through agents.

Most activity in the direct insurance market in Israel involves auto insurance. Currently, 25% of all auto insurance in Israel is taken out through direct insurance companies, a percentage that has not grown even after 14 years of direct insurance company activities in Israel and investment of tens of millions of shekels in advertisement. Furthermore, massive and long-term investment in Israel

not only failed to generate growth in direct insurance companies market share in recent years but also entrenched in consumer perceptions that these are brands that only focus on price whereas personal treatment and service are the focus of insurance companies based on agents.

### The Marketing Challenge

AIG wanted to create a move that would constitute a marketing infrastructure to help it break through the glass ceiling of the direct market share while changing consumer perception of insurance, that direct marketing = low price and impersonal service.

### The Marketing Solutions

AIG realized that what consumers yearn for is that when the time comes when they really need their insurance policy, someone will be there for them. In other words, AIG wanted to 'humanize' its connection with its customers so that they enjoy human contact with a permanent agent, such as the agent-customer model in agent-

Even to pass the car inspection

**Whenever you need, AIG will be there for you**

אג איה בי ישראל חברה לביטוח כללי

Even if you are stuck without gas

**Whenever you need, AIG will be there for you**

אג איה בי ישראל חברה לביטוח כללי

Even if your wallet is stolen

**Whenever you need, AIG will be there for you**

אג איה בי ישראל חברה לביטוח כללי



[www.aig.co.il](http://www.aig.co.il)



## Things You Didn't Know About AIG

- Following the 2008 crisis, the company changed its insurance brand name to Chartis all over the world except in Israel.
- The Company jingle (one-eight-hundred-four hundred-four-hundred-A-I-G) bears the same melody as the Jewish prayer AMEN.
- 60% of the company employees are women
- The company promises a 60-second response time by its service and sales call centers.
- 80% of executive positions in AIG are filled by employees who worked their way up in the company.

As part of the service developed by the company over the past year and a half, company customers are assisted by a personal representative once an insurance incident has occurred from the moment the forms are filled to process updates (e.g. within how much time the car will be repaired, etc.) to feedback on completion of processing of the claim, etc.

The representative will serve as the customer's personal contact with the company and will answer all of the customer's questions and satisfy their needs.

Research conducted by the company on the effectiveness of the process found that the company managed to link values to itself such as "unique services", "being there at the moment of truth", and "close oversight in a claim", with a gap from competitors.

## And in the future...

Once the brand completed the first stage of the assimilation of the personal representative strategy, the groundwork was laid that would allow the brand to reap the benefits and increase its share not only in the auto insurance market but also in other sectors, thereby comprising AIG's future growth engines: personal accident insurance, life insurance and health insurance.

based companies. Instituted in 2009, the strategy was implemented in the company over the past two years. Once the new strategy was assimilated among company employees, an extensive ad campaign was launched at the end of 2010 through a series of television ads starring Avi Kushnir and Moni Moshonov. The campaign was accompanied by the slogan "Whenever you need, AIG will be there for you".

In addition, to reinforce the added values that it is offering, AIG launched a series of accompanying services and products (some for an added fee).

For example, customers who purchased towing insurance could benefit from the service that supplies them with gas

if they get stuck in the middle of a trip. In the event of an accident, customers can benefit from the VIP service in which a representative travels to the site, orders a taxi for them to take them to their destination, and waits for the towing truck at the site instead of the customer. Customers who purchased home and auto insurance can use the 'lost wallet' service that includes coverage of expenses involved in replacing a lost or stolen wallet and for personal documents and credit cards that were in it. Home insurance customers who experience plumbing and electrical problems can benefit from the service from a professional representative around the clock. The core of the strategy is the 'personal representative'.

**1919**

Cornelius Vander Starr establishes the first branch of what is to be AIG Concern in Shanghai.

**1997**

AIG launched in Israel.

**2009**

AIG becomes a leader in the sale of personal accident products.

**2010**

The company launches an extensive ad campaign under the slogan "Whenever you need, AIG will be there for you".

**2011**

AIG launches in Israel the 'personal representative' move.